



INSURANCE FRAUD INVESTIGATION DIVISION

Kentucky Department of Insurance

909 Leawood Drive, P. O. Box 4050, Frankfort, KY 40604-4050

Phone 502-564-1461 – FAX 502-564-1464

Fraud Statistics/Convictions Activity

August 2011

Fraud Statistics

	<u>Month/Aug.</u>	<u>YTD</u>
Total Referrals Received.....	90	649
Closed Referrals.....	23	420
Open Cases (Investigations-includes prior years)		250
Assigned Cases (Investigations).....	11	118
Closed Cases (Investigations).....	2	59
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	0	14
Charges (0 felony).....	0	67
Convictions (1 misdemeanor)	1	22
Restitution Ordered..... \$	0.00	20,423.18
Restitution Agreed.....\$	0.00	40,207.30
Restitution Total.....\$	0.00	60,630.48
Investigation Expenses to Division		
Awarded.....\$	0	5,773.17
Collected..... \$	188.70	6,877.24
Administrative subpoenas issued.....	0	5
Non-licensed individuals.....	0	4
Licensed (active/inactive individuals)....	0	1
Subpoenas Received.....	0	16

Convictions Activity

John Lee Gray – On or about October 2008, Gray presented a fake/fraudulent certificate of liability to the Mardrian Group Inc. as proof of insurance in order to obtain subcontract work. Based on the fraudulent certificate of insurance, the Mardrian Group Inc. would be responsible for the workers' compensation premium of \$745.50. Gray was charged with one felony count of fraudulent insurance acts. He pleaded guilty to the charge in Jefferson Circuit Court and was placed on probation for five years.